

**BOARD LETTER – SUMMARY SHEET  
HEALTH AND MENTAL HEALTH SERVICES CLUSTER**

<b>AGENDA REVIEW</b>	June 1, 2016
<b>BOARD MEETING</b>	June 21, 2016
<b>SUPERVISORIAL DISTRICT</b>	All Supervisorial Districts
<b>DEPARTMENT</b>	Department of Mental Health (DMH)
<b>SUBJECT</b>	<b>APPROVAL TO ENTER INTO AGREEMENT WITH CALIFORNIA HOUSING FINANCE AGENCY FOR ADMINISTRATION OF THE NEW LOCAL GOVERNMENT SPECIAL NEEDS HOUSING PROGRAM (3 VOTES)</b>
<b>PROGRAM</b>	DMH Countywide Housing, Employment and Education Resource Development
<b>DEADLINES</b>	May 30, 2016
<b>COST &amp; FUNDING</b>	<p>DMH anticipates the transfer of an estimated \$1.2 million for housing developments under the SNHP in FY 2015-16. The \$1.2 million is fully funded with State MHSA revenue and is included in the FY 2015-16 Final Adopted Budget. As reflected in the MHSA Annual Update, DMH anticipates transferring another \$18.9 million in FY 2016-17, fully funded by State MHSA revenue included in FY 2016-17 Final Changes Budget. DMH will seek Board approval for additional transfer amounts or additional amounts will be handled through the Department's annual budget process.</p> <p>There is no net County cost associated with these recommended actions</p>
<b>PURPOSE OF REQUEST</b>	<p>Permanent supportive housing is a critical element of wellness, recovery and resiliency for persons with mental illness that are homeless. Board approval of the recommended actions will allow DMH to continue to provide oversight of existing housing projects and funding under the MHSA Housing Program which was terminated on May 30, 2016. Although the program has ended, CalHFA will continue to administer the existing 46 projects and funding as new projects cannot be funded under this program. Ongoing oversight and operation of these housing projects is critical to mental health consumers and families that have already been transitioned into permanent supportive housing as a result of this program.</p> <p>Board approval of the recommended actions will also allow DMH to contract directly with CalHFA through the SNHP which is a newly developed program allowing counties to continue their relationship with CalHFA, which was established under the MHSA Housing Program. CalHFA will provide participating counties with housing development expertise and real estate lending services for the construction, rehabilitation, and/or development of housing for persons qualifying for mental health services under MHSA so that future housing units can be developed for eligible mental health consumers and their families.</p>
<b>SUMMARY/ ISSUES</b>	The MHSA Housing Program ended on May 30, 2016. All original funding amounts for the program for Los Angeles County are committed to existing

<p><b>(Briefly summarize program and potential issues or concerns. Identify changes, if any, to level of funding or staffing; how funding will be utilized and why best use; prior accomplishments; and for BLs involving contracts, also note changes to the contract term.)</b></p>	<p>housing projects. California Counties now have the opportunity to contract directly with CalHFA to continue oversight of the existing housing projects developed under the MHSA Housing Program and for the administration of the new SNHP. The SNHP will ensure continued development of safe, affordable, and permanent housing for mental health consumers and families in Los Angeles County that are eligible to receive MHSA funded housing.</p> <p>CalHFA is the state's affordable housing bank, with expertise in developing and administering real estate lending programs and products benefiting persons of low and moderate income. CalHFA is authorized to enter into contracts to create and administer housing and real estate lending programs for the benefit of other governmental entities in the State of California.</p>
<p><b>DEPT. &amp; COUNTY COUNSEL CONTACTS</b></p>	<p>Maria Funk, Ph.D., Mental Health Clinical District Chief, Countywide Housing, Employment and Education Resource Development (213) 251-6582</p> <p>Stephanie Reagan, County Counsel, (213) 974-0941</p>